

## Outlook for Concentrated Apple Juice Production and Trade in Selected Countries

Production of apple juice (AJ) in selected countries in 2000/01 is estimated at nearly 650,000 metric tons (70/71 degrees brix equivalent), 12 percent above the previous season's output. The upturn mainly reflects increased AJ production in some major producing countries, such as Germany, Argentina, and Chile. AJ production in the United States, the world's largest producer, in 2000/01 is estimated to decrease 5 percent to 145,000 tons. Exports of AJ from selected countries in 2000/01 are estimated at about 460,000 tons, 10 percent more than last season, due to larger exportable supplies from Germany, Italy, Argentina, and Chile. U.S. AJ exports in 2000/01, on the other hand, are anticipated to decrease to their lowest level ever, 5,000 tons. Lower domestic production, combined with increased exportable supplies from main world shippers are expected to hamper U.S. AJ exports this season. U.S. AJ imports in 2000/01 are expected to decrease slightly to 220,000 tons.

### Northern Hemisphere

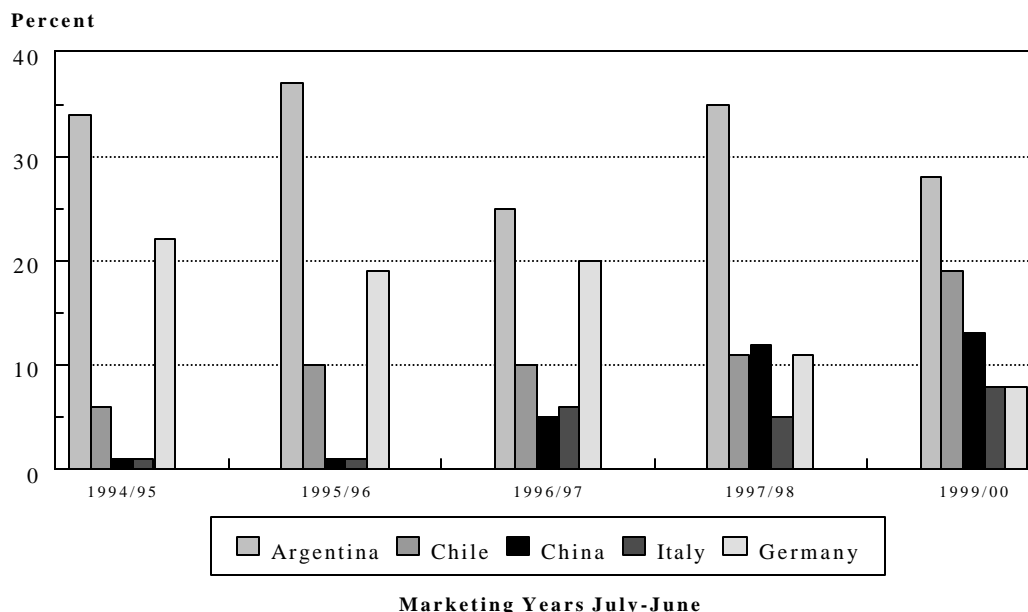
#### United States

U.S. AJ *production* in 2000/01 is estimated at 145,000 tons, down 5 percent from 1999/2000. Lower apple production in some of the major eastern apple processing states, such as New York, Michigan, Pennsylvania, and Virginia has hampered overall U.S. AJ production in 2000/01. A large proportion of U.S. apples produced in eastern states are for the processing sector, while apples from the West go mainly to the fresh domestic and export markets. Processing of apples in 2000/01 is expected to decrease 18 percent in New York, 29 percent in Michigan, 11 percent in Pennsylvania, and 2 percent in Virginia. Normally, about 35 percent of New York's apples for processing are diverted to the juice and cider industries compared with 40 percent in Michigan and 25 percent in Pennsylvania.

U.S. AJ *imports* in 2000/01 are estimated at 220,000 tons, down 2 percent from last season, based on lower imports to date. AJ imports into the United States, which are mostly concentrated non-frozen, totaled around 136,000 tons, 70/71 degrees brix equivalent, for the period July 2000 through February 2001, down 2 percent from the same period last season. The decrease mainly reflects lower imports from Argentina and Chile, which are running 52 percent and 43 percent behind the same period last season, respectively. On the other hand, AJ imports from China increased 99 percent during the same period to 20,000 tons. The increased demand for the Chinese product has raised the U.S. industry's concern about China's AJ marketing strategy in the United States and revived the dumping case against lowered-priced Chinese juice. On May 15, 2000, the U.S. International Trade Commission (ITC) issued a final determination that the U.S. apple juice industry had been materially injured by imports of "non-frozen" apple juice concentrate from China. In April 2001, the U.S. apple industry requested that the U.S.

Department of Commerce extend antidumping duties on imports of Chinese apple-juice concentrate to include the so-called “frozen concentrate.” Discussions on the issue are ongoing.

## Major Suppliers' Market Share of U.S. Apple Juice Imports



U.S. Source: U.S. Department of Commerce, Bureau of the Census

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Imports in 2000/01 are expected to decrease to their lowest level ever, 5,000 tons. However, U.S. AJ exports to Japan, Canada, and Venezuela, major buyers of the U.S. product, are expected to continue strong in 2000/01.

### Poland

Poland's AJ production in 2000/01 is expected to decrease for the third consecutive season to 50,000 tons, 40 percent below the 1999/2000 output. Another reduced apple crop has continued to tighten supplies of processing apples and, as such, the production of AJ this season. In Poland, around 60 percent of the apple crop is processed, while most of the rest is directed to the fresh domestic market. Processed apple products include concentrated juice, fruit beverage, wine, and jam. Poland is a unique international supplier of AJ, that sales high-acid juice.

Almost 90 percent of Poland's AJ production is exported annually to neighboring countries. Poland's AJ exports in 2000/01 are estimated at 65,000, 13 percent below 1999/2000 shipments. The decrease mainly reflects lower AJ production and tight available stocks. On the other hand, export prices for Polish AJ are estimated to improve somewhat this season, due to reduced supplies of high-acid AJ in world markets.

Germany is by far the leading customer, normally accounting for more than 80 percent of total Polish AJ exports.

## **Southern Hemisphere**

### **Argentina**

Argentina's 2000/01 AJ production is estimated to bounce back to nearly 93,000 tons, up sharply from the 1999/2000 reduced output. More apples are expected to be processed this season, reflecting a much larger fresh crop. Traditionally, apples not suitable for the fresh domestic and export markets are processed. An estimated 80 percent of Argentina's processed apples go to AJ production, 15 percent are used for cider, and 5 percent are dried or processed into jams, vinegar, and other products. Argentina is the leading AJ producer and exporter in the Southern Hemisphere.

Exports of AJ from Argentina in 2000/01 are estimated at 83,000 tons, more than 80 percent above last season, due mainly to more exportable supplies. The United States continues to be Argentina's major AJ market. U.S. imports of AJ from Argentina in 1999/2000 totaled nearly 63,000 tons (70/71 degrees brix equivalent), valued at \$66 million. However, U.S. imports of Argentina's AJ during the period of July 2000 through February 2001 are more than 50 percent behind the same period last season. Increased supplies and imports from China seem to be hampering shipments of Argentina's AJ to the United States so far this year.

### **Chile**

Chile's AJ production in 2000/01 is estimated at 42,000 tons, up more than 20 percent from the 1999/2000 output, mainly the result of a larger apple crop and increased processing. There are six juice processing plants in Chile with excess production capacity. Traditionally, apples not suitable for the fresh export market, are processed into apple juice. But as the processing market has become increasingly saturated, industry buyers have started to pay increased attention to the quality of the product. As a result, Argentina's AJ industry is both encouraging farmers to increase production of existing orchards of sour-type apples, as well as to expand planting of new apple varieties.

In Chile, AJ production is mainly directed to the export market. Chile's AJ exports in 2000/01 are estimated at 42,000 tons, nearly a quarter more than shipments in 1999/2000. The United States is Chile's largest AJ customer, accounting for more than 70 percent of total export sales. In 1999/2000, Chile was the second largest supplier of AJ to the U.S. market, with sales of more than 42,000 tons, valued at \$47 million. But the importance of other markets, such as Japan, Canada, and Australia is increasing. Only small amounts of AJ are consumed domestically, principally single-strength type.

*(The FAS Attache Report search engine contains reports on the apple juice industry for more than 10 countries, including Argentina, Chile, and Germany. For further information on supply, distribution, and trade, contact Samuel Rosa at (202) 720-6086)*

**APPLE JUICE: PRODUCTION, SUPPLY, AND UTILIZATION  
IN SELECTED COUNTRIES  
(METRIC TONS AT 70/71 DEGREES BRIX EQUIVALENT)**

<b>Country/ 1/ Mkting Year</b>	<b>Beginning Stocks</b>	<b>Production</b>	<b>Imports</b>	<b>Total Supply</b>	<b>Exports</b>	<b>Domestic Consumption</b>	<b>Ending Stocks</b>
<b>NORTHERN HEMISPHERE COUNTRIES</b>							
<b>Germany</b>							
1998/99	115,000	81,974	261,362	458,336	77,800	251,633	128,903
1999/00	128,903	98,560	279,690	507,153	79,536	256,323	171,294
2000/01 E	171,294	140,000	200,000	511,294	85,000	255,000	171,294
<b>Hungary</b>							
1998/99	0	49,000	2,000	51,000	37,000	14,000	0
1999/00	0	47,000	6,000	53,000	33,000	20,000	0
2000/01 E	0	55,000	2,000	57,000	32,000	25,000	0
<b>Italy</b>							
1998/99	4,000	59,000	40,000	103,000	99,000	4,000	0
1999/00	0	60,000	38,000	98,000	93,000	4,000	1,000
2000/01 E	1,000	60,000	40,000	101,000	97,000	4,000	0
<b>Poland</b>							
1998/99	0	90,000	4,000	94,000	80,300	13,700	0
1999/00	0	70,000	20,000	90,000	75,000	10,000	5,000
2000/01 E	5,000	50,000	20,000	75,000	65,000	10,000	0
<b>Spain</b>							
1998/99	0	18,000	4,200	22,200	14,000	7,000	1,200
1999/00	1,200	21,000	4,000	26,200	16,000	7,500	2,700
2000/01 E	2,700	18,000	4,000	24,700	14,000	8,000	2,700
<b>United States 2/</b>							
1998/99	0	152,889	214,121	367,010	6,412	360,598	0
1999/00	0	152,126	224,238	376,364	6,878	369,486	0
2000/01 E	0	145,000	220,000	365,000	5,000	360,000	0
<b>SUBTOTAL NORTHERN HEMISPHERE COUNTRIES</b>							
1998/99	119,000	450,863	525,683	1,095,546	314,512	650,931	130,103
1999/00	130,103	448,686	571,928	1,150,717	303,414	667,309	179,994
2000/01 E	179,994	468,000	486,000	1,133,994	298,000	662,000	173,994
<b>SOUTHERN HEMISPHERE COUNTRIES</b>							
<b>Argentina</b>							
1998/99	883	91,396	1,494	93,773	82,119	8,500	3,154
1999/00	3,154	49,275	3,100	55,529	45,500	8,500	1,529
2000/01 E	1,529	92,600	1,000	95,129	83,000	8,500	3,629
<b>Chile</b>							
1998/99	5,493	53,800	0	59,293	58,545	500	248
1999/00	248	34,250	0	34,498	33,650	500	348
2000/01 E	348	42,000	0	42,348	41,600	500	248



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<b>Country/ Mkting Year</b>	<b>Beginning Stocks</b>	<b>Production</b>	<b>Imports</b>	<b>Total Supply</b>	<b>Exports</b>	<b>Domestic Consumption</b>	<b>Ending Stocks</b>
<b>New Zealand</b>							
1998/99	0	13,214	400	13,614	10,067	3,547	0
1999/00	0	19,947	400	20,347	11,537	8,810	0
2000/01 E	0	18,200	0	18,200	14,000	4,200	0
<b>South Africa, Republic of</b>							
1998/99	6,070	24,775	5,674	36,519	28,353	8,166	0
1999/00	0	28,550	5,450	34,000	25,400	8,600	0
2000/01 E	0	27,468	5,900	33,368	25,468	7,900	0
<b>SUBTOTAL SOUTHERN HEMISPHERE COUNTRIES</b>							
1998/99	12,446	183,185	7,568	203,199	179,084	20,713	3,402
1999/00	3,402	132,022	8,950	144,374	116,087	26,410	1,877
2000/01 E	1,877	180,268	6,900	189,045	164,068	21,100	3,877
<b>TOTAL WORLD</b>							
1998/99	131,446	634,048	533,251	1,298,745	493,596	671,644	133,505
1999/00	133,505	580,708	580,878	1,295,091	419,501	693,719	181,871
2000/01 E	181,871	648,268	492,900	1,323,039	462,068	683,100	177,871

1/ Northern Hemisphere marketing years are July-June for all countries except Italy where the marketing year is January-December. Southern Hemisphere marketing year is January-December except New Zealand where marketing year is October-September.

2/ U.S. stock figures not available. U.S. apple juice production is estimated using the proportion of the fresh apple crop that is processed into juice and cider. U.S. exports and imports from U.S. Dept. of Commerce.

U.S. import data includes the following harmonized codes; 2009.70.0010, 2009.70.0020, and 2009.70.0090

U.S. export data includes the following harmonized codes; 2009.70.0010, 2009.70.0020, and 2009.70.0090  
note: Data for Mexico, Austria, Bulgaria,, France, and Australia has been discontinued, as FAS no longer requires reporting on apple juice.

E= Estimate

Source: U.S. trade data from U.S. Dept. of Commerce, Bureau of Census; USDA Attache reports and USDA/FAS estimates.

**U.S. Apple Juice Imports 1/  
Complete Marketing Years (July-June) 1997/98-1999/00  
and 1999/00-2000/01, July-February Comparisons  
(Metric tons, 70/71 Degrees Brix Equivalent)**

Country	Rank in				July-February	July-January	Percent
	MY 1999/00	1997/98	1998/99	1999/00	1999/00	2000/01	Changed
Argentina	1	65,303	60,646	62,710	49,706	23,722	-52%
Chile	2	19,971	31,474	42,302	36,796	21,077	-43%
China	3	21,914	42,849	29,026	10,023	19,916	99%
Italy	4	9,036	21,893	18,746	9,765	17,771	82%
Germany	5	19,908	20,280	17,325	6,390	15,199	138%
South Africa	6	7,513	9,972	15,623	7,793	4,631	-41%
Brazil	7	3,796	3,738	8,847	1,187	3,987	236%
Mexico	8	4,871	3,461	8,064	3,896	2,953	-24%
Turkey	9	1,001	4,827	7,968	5,927	5,451	-8%
Canada	10	3,518	2,716	3,856	2,502	2,234	-11%
New Zealand	11	6,305	1,340	2,407	1,354	5,519	308%
Hungary	12	19,179	6,273	2,092	465	8,204	1663%
Spain	13	118	172	1,835	1,231	58	-95%
Austria	14	1,245	1,739	1,372	813	1,833	125%
Poland	15	64	502	626	205	1,191	482%
Moldova	16	1,041	1,149	341	145	1,148	692%
France	17	125	267	337	237	165	-31%
Croatia	18	0	115	310	291	351	21%
Netherlands	19	170	258	141	141	47	-67%
India	20	0	0	100	0	345	N A
Taiwan	21	141	6	58	48	6	-87%
Saudi Arabia	22	0	0	38	30	0	-100%
Sweden	23	2	19	28	21	20	-5%
South Korea	24	29	3	25	23	0	-100%
Japan	25	0	0	17	17	0	-100%
Guatemala	26	3	1	9	8	3	-63%
Dominican Republi	27	39	22	7	4	11	175%
El Salvador	28	0	0	5	3	4	33%
Israel	29	0	1	2	0	0	0%
Thailand	30	14	0	1	1	2	100%
Other		901	398	21	22	180	706%
<b>Total World</b>		<b>186,207</b>	<b>214,121</b>	<b>224,238</b>	<b>139,045</b>	<b>136,029</b>	<b>-2%</b>

1/ Source: U.S. Census of the Bureau. Includes the following harmonized codes; 2009.70.0010, 2009.70.0020, and 2009.70.0090. The concentrated non-frozen category (HS 2009.70.0020) accounted for 96 percent, 94 percent, and 98 percent of total U.S. apple juice imports in 1997/98, 1998/99, and 1999/00, respectively.